

# Appendix A

## Partnering solicitation provision

### Partnering - Section L

In an effort to most effectively accomplish the objectives of this contract, it is proposed that the government, the contractor, and its major subcontractors engage in the Partnering process.

Participation in the Partnering process is entirely voluntary and is based upon a mutual commitment between government and industry to work cooperatively as a Team to identify and resolve problems and facilitate contract performance. The primary objective of the process is providing the American soldier with the highest quality supplies/services on time and at a reasonable price. Partnering requires the parties to look beyond the strict bounds of the contract in order to formulate actions that promote their common goals and objectives. It is a relationship that is based upon open and continuous communication, mutual trust and respect, and the replacement of the “us vs. them” mentality of the past with a “win-win” philosophy for the future. Partnering also promotes synergy, creative thinking, pride in performance, and the creation of a shared vision for success.

Participation in the Partnering process is entirely voluntary. After contract award, the government and the successful offeror will decide whether or not to engage in the Partnering process. Accordingly, offerors shall not include any anticipated costs associated with the implementation of the Partnering process in their proposed cost/price (e.g. cost of hiring a facilitator and conducting the Partnering Workshop). If the parties elect to partner, any costs associated with that process shall be identified and agreed to after contract award.

The establishment of this Partnering arrangement does not affect the legal responsibilities or relationship of the parties and cannot be used to alter, supplement or deviate from the terms of the contract. Any changes to the contract must be executed in writing by the Contracting Officer.

Implementation of this Partnering relationship will be based upon the AMC Model Partnering Process, as well as the principles and procedures set forth in the AMC Partnering Guide. The principal government representatives for this effort will be (include names, positions, and roles in contract administration).

## Partnering Agreements & Charters

## PARTNERING CHARTER

team.

1. Accident

Art Kravitz  
Ray Brown

## GOALS

- James E. Sparrow  
Secretary  
Huntlee

*[Handwritten signature]*

Leah Crapp

John O'Leary

*Michael J. Hayes*

*Dr. Sullivan*

15. Foster new ways of doing business.

*Michaelina Tarcis La Forgia* John 6

John Peim

V. O'Neil

## ARMORED SECURITY VEHICLE

### MISSION

The ASV team is committed to providing a quality vehicle to the U.S. Military that meets the user's requirements as defined in the contract, on schedule and within the contract budget. This will be accomplished through establishing and working within a cooperative relationship among team members to achieve the following program goals:

- Deliver on or ahead of schedules
- Produce a quality and logistically supported ASV that meets or exceeds performance specifications
- Reach timely resolution of all issues
- Achieve zero claims
- Complete testing successfully
- Perform within contract cost
- Use cooperative teams to ensure timely placement of production contract
- Develop and maintain positive working relationships among all stakeholders
- Constantly seek product improvement

David W. Felt, BG, USA    Michele Vellody    Todd Bouyer  
 Don Skiff    Angel Hall    DM Buttram  
 Walter P. Wypubet    Patricia Gracich    McJannet  
                                  Ronni Blanchard    Anthony A. Har  
                                  Keith Isaac    Keri Edwards  
                                  Dale Holmes  
                                  PM Reynolds    Clarence ~~James~~  
                                  Maureen W. Gross    Michael P. Burns  
                                  Theodore A. Vint    Denise Miller  
                                  Barbara Belkner    Joe Kinnard  
                                  Don Horner    John R. Schneider  
                                  J. S.    James Smalley  
                                  David Lewis    Susan M. Lavandowski  
                                  M. J. Weyand  
 W. David Whedden

**PARTNERING AGREEMENT FOR THE BATTLEFIELD COMBAT IDENTIFICATION  
SYSTEM (BCIS) ENGINEERING AND MANUFACTURING DEVELOPMENT (EMD)  
CONTRACT BETWEEN TRW, MAGNAVOX, PM COMBAT IDENTIFICATION AND  
CECOM**

I. We, the Government and Contractor team personnel dedicated to BCIS, are committed to a positive utilization of partnering in the performance and administration of this project. We believe that through partnering we will be able to provide a dependable, quality project completed on time and within budget. We will work as a team to build action plans, to break down communication barriers, resolve conflicts at the lowest possible level, to streamline the paperwork process, and build a team spirit to achieve maximum success for all: a quality product that meets all the Government requirements, on time delivery, within budget, and with a fair profit for the contractor.

II. We are committed to open communications, joint problem solving and teamwork to accomplish all the goals and objectives of the BCIS contract to include:

a. Adopt a total team approach resulting in an outstanding project team performance.

b. Encouraging information sharing at all levels. All team members will stress the importance of a timely, positive and ongoing communications.

c. Produce high quality cost effective, reliable EMD units.

d. Team members will use The Alternative Dispute Resolution process [described in the attached "Partnering Infrastructure"] to the maximum extent feasible to reduce and/or eliminate the need for litigation.

e. Encourage all team members to respond swiftly to concerns, deadlines and requests.

f. Achieve and complete all milestones on or ahead of schedule.

g. Successfully complete the project within budget.

h. Each party shall bear their own costs associated with effectuating this partnering effort. There will be no change in the contract price as a result of this partnering effort. The contractor and subcontractor shall comply with their respective cost accounting Standard Disclosure Statements.

i. Award 100% of all the Award Fees.

j. The Team BCIS process action teams will report regularly to the Management Working Group.

k. If the team determines that it will be useful in advancing the goals of this agreement, partnering workshops may be held to help improve communications and the team efforts. Each party will bear their own costs of participating in these workshops.

III. We believe that this partnering statement will encourage synergy, pride in performance and quality workmanship leading to a showcase project and outstanding project performance.

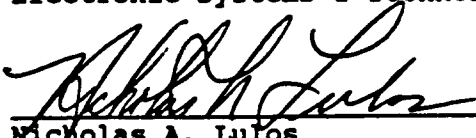
IV. Our goals will be achieved through a commitment to teamwork and partnering characterized by mutual trust, responsiveness, flexibility and open communications. To accomplish these goals we commit to project decision-making at the lowest possible level within the team infrastructure.

V. To facilitate the implementation of the goals set forth in this Agreement, the organizational structure set forth at Attachment 1 is established.

VI. This Agreement does not create any legally enforceable rights or duties. Any changes to the contract must be made by the contracting officer under the terms of the written contract. Any changes to the subcontract between TRW and Magnavox must be made by TRW's Subcontracts Manager under the terms of the written subcontract. Rather, the Partnering concept is a team relationship that promotes the achievement of mutually beneficial goals.



David B. Vandervoet  
Vice President and General Manager  
Electronic Systems & Technology Division, TRW



Nicholas A. Lufos  
Vice President and General Manager  
Electronic Combat Operations, Magnavox



Thomas V. Rosner  
Col, OD  
PM, Combat Identification



## HYDRA-70 Mission Statement

The HYDRA-70 team is dedicated to providing the best rocket system to the military while maintaining a professional, ethical, and mutually supportive environment amongst all team members. We will continuously seek to improve our products, processes, and people.

### Shared Goals

On time deliveries.

Deliver quality product.

No unresolved disputes.

TDP-resolve issues in a timely manner.

Strive for open/honest/timely communications.

No safety or environmental incidences.

Teamwork-recognize shared interest for program success.

All team members profit.

User/customer satisfaction.

Use the current production program as a springboard for future product improvement.

*Combining the talents of the entire team helped to create a  
standard template for reuse*



# **& RAYTHEON COMPANY**

## **Partnering Agreement SMART-T LRIP and FSP Contract**

1. We, PM Milstar (Army) and Raytheon Company, dedicated to SMART-T, are committed to a positive utilization of partnering in the performance and administration of this contract. We believe that through partnering we will be able to provide a dependable, reliable, quality product completed on time and with a fair profit for Raytheon. We will work as a team to build action plans, breakdown communications barriers, resolve conflicts at the lowest level possible and build team spirit to achieve the maximum success.

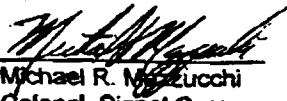
### **Performance Goals:**

- Soldier Satisfaction
- Quality Work
- On Time Delivery
- Successful IOT&E
- Re-engineer Administrative processes for cost saving


### **Communications Goals:**

- Timely resolution of conflicts
- Effective and Timely communications
- Minimize oversight
- Resolve issues at lowest level
- Validate Partnering Effectiveness

2. This agreement does not create any legally enforceable rights or duties. Any changes to the contract must be made by the contracting officer under the terms of the written contract. The Partnering concept is a team relationship that promotes the achievement of mutually beneficial goals.

  
\_\_\_\_\_  
Michael R. Mazzocchi  
Colonel, Signal Corps  
Project Manager  
Milstar (Army)

19 MAR 96  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Jack R. Kelble  
Manager, Command  
Control, Communication  
and Surveillance Systems

3/19/96  
\_\_\_\_\_  
Date

# Appendix C

## Overarching Partnering Agreement

### Overarching Partnering Agreement between Team C4IEWS and Hughes Aircraft Company

1. We the senior leadership of Team C4IEWS and the Hughes Aircraft Company (HAC), are firmly committed to the utilization of the Partnering process in the performance and administration of each of our future contractual endeavors.
2. We will serve as the champions for the establishment of positive and proactive relationships between our organizations based upon mutual trust and respect and the replacement of the "us and them" mentality of the past with a "win-win" philosophy and partnership for the future and dedicated to the accomplishment of mutually beneficial goals and objectives (*i.e.*, the delivery of the highest quality products/services, on or ahead of schedule, at a reasonable price/profit).
3. We are committed to the highest ethical and professional standards and the creation of a mutually supportive team-based environment. We believe that our commitment to Partnering will promote synergy, pride in performance, and quality workmanship leading to showcase projects and outstanding contract performance.
4. Our overriding objective shall always be providing America's warfighters with the most technologically advanced and reliable equipment in a timely manner in order to promote the swift, safe and successful accomplishment of their missions.
5. All contracts between HAC and Team C4IEWS awarded subsequent to the execution of this Agreement will include an individually designed and tailored Partnering Agreement based upon open, effective and continuous communication and dedicated to successful contract performance, the establishment of a true team spirit, the timely resolution/avoidance of problems, and continuous product and process improvement.
6. Immediately after the award of a contract, each of these Government/Contractor Teams will work together to identify and mutually agree upon the particular program's mission, goals and objectives: all potential obstacles to the timely and effective completion of the contract (*i.e.*, the "Rocks in the Road"); the establishment of a tiered conflict avoidance/resolution process; and milestones for assessing, on a periodic basis, the Team's success in overcoming these hurdles and



successfully accomplishing the program's objectives. Existing contracts between Team C4IEWS and HAC will each be reviewed to determine the feasibility and potential benefit of incorporating a Partnering Agreement during contract performance.

7. Although we anticipate the development of a tiered conflict avoidance/resolution process, we agree to empower our employees to jointly and expeditiously resolve all problems at the lowest possible level.

8. Alternative Dispute Resolution techniques will be used to the greatest extent possible in order to facilitate the timely resolution of disputes and eliminate the necessity for litigation.

9. It is recognized that notwithstanding the objectives of this Agreement, it shall not be used as a vehicle for the dissemination or exchange of any competition sensitive, source selection or proprietary information or for the premature or unilateral release of acquisition-related information prior to its publication to industry in general.

10. Any Partnering Agreement(s) entered into between Team C4IEWS and HAC shall not be used to alter, supplement or deviate from the terms of the contract(s) and the legal rights and obligations of the parties set forth therein. Any changes to the contract(s) must be executed in writing by the Contracting Officer.

11. Team C4IEWS and HAC will share the costs associated with the implementation of the Partnering process as set forth in the individual Partnering Agreements executed pursuant to this Agreement.

12. We agree to discuss the status of Partnering initiatives between Team C4IEWS and HAC on a quarterly basis, commencing in March 1997, in order to reinforce the Partnering commitment, share and build upon significant accomplishments, and identify and eliminate any perceived barriers to future success.

# Appendix D

## "Rocks in the Road" Action Plan

### Armored Security Vehicle Program

#### Potential "Rocks" identified in Problem-Solving Groups

- GFE Deliveries
- Long-lead items
- Interpretation of requirements
- Inadequate/slow information transfer
- Overly bureaucratic/risk avoidance

#### Other Potential Key "Rocks"

- ILS considerations
- Concurrent engineering
- Untimely decisions
- Cost Control
- Geographical considerations
- PCO/ACO interface

#### Other Potential "Rocks"

- Logistical, technical issues
- Possible change in user requirements
- Inclement weather
- Unrealistic specifications
- Changes in personnel
- Contract changes
- Worker training
- Hesitation in the partnering process
- Loss of funding
- Decision levels too high
- Labor issues
- Contractor technical data
- Unknown factors
- Old school versus new school
- Contractual gray areas

## Problem Solving Exercise

**Obstacle:** Interpretation of requirements

**Critical Factors/Issues:**

- Vague/ambiguous requirements
- Unnecessary/over specifications
- Incomplete specifications

### Action Plan

What?	When?	Who?
1. Identify potential issues	30 APR 96	S. Collins-Textron, J. Keusch-TACOM Capt. M. Cross-MP School D. Lewis-SUPSHIP
2. Prioritize issues	Next IPR, 7 MAY 96	J. Smedley-Textron, T. Shaw-TACOM/PEP, K. Edwards-MP School, D. Holmes-SUPSHIP
3. Jointly review system requirements and identify issues	Next IPR, 7 MAY 96	S. Collins-Textron, J. Keusch-TACOM Capt. M. Cross-MP School D. Lewis-SUPSHIP
4. Resolve open requirements issues	June IPR	J. Smedley-Textron, T. Shaw-TACOM/PEP, K. Edwards-MP School, D. Holmes-SUPSHIP

**Obstacle:** Test failures

### Action Plan

What?	When?	Who?
1. Coordinate with DCOPS/Texcom location of operational test	30 APR 96	K. Edwards
2. Decide number of test support packages	Next TIWG, 24 MAY 96	T. Shaw
3. Expand distribution of DTP and OTP	Next TIWG	B. Oelkers
4. Discuss detailed test issues	Next TIWG	B. Oelkers
5. Put suspenses on all requests	Next TIWG	B. Oelkers and R. Smith
6. Establish POC	Next TIWG	B. Oelkers
7. Availability of spares, certificates of conformance	PQT	R. Smith, Don

# Appendix E

## Conflict Escalation Procedures

### Armored Security Vehicle Program

#### Issue Escalation Chart

Level	Textron	TACOM		MP School	Navy SUPSHIP
		<i>AG Center</i>	<i>Program Executive</i>		
1		Denise Mika	Michelle Velliky	Maureen Cross	Mike Burns
2	Bill Reynolds Larry Ham	Ken Bousquet	Tony Shaw	Kerrie Edwards	Dave Fulda
3	John Terry Jim Smedley	Rick Bender Marty Green	John Weaver	Lt. Col. Johnston Col. Sudnik	Commander Gordon Lt. Wiegand
4	Jim Kratzer	Dan Maney	Walt Wynbelt	General Foley	Capt. Whiddon

#### Issue Escalation Guidelines A Flexible Approach

1. When a disagreement surfaces, the individuals involved should mutually set a time frame to resolve the issue. If they cannot come to closure on that issue within the set time frame, they MUST escalate the issue with the facts.
2. If the individuals cannot reach agreement on a time frame for resolution, they MUST immediately escalate the issue.
3. Any issue/disagreement that has a direct impact on construction progress should be escalated immediately.

# Hydra 70 Rocket System

Issue Resolution Chart

Levels	Subs	LMOS	IOC		DCMO	AAWS	Fuze	QA	NSWC	RAAP
1	Program Functions	Functions Jake Jacobsen Brian Cook Jeff Pitts	Chris Thompson <del>Ken</del> Sobkowiak WANDA MALVIK	Mary Crossen JIM Arloway Bitt Schneider Steve Zarley	Lorna Noreault	King Ko	Roger Sitara	Richard Chan	Liz Eagles	Lisa Brown  Anthony Miano
2		Daryl Kendrick	<del>Diek Burns</del> PATRICIA Marshall Collins	Tim Bolyard	<del>Glen</del> Ambush FRANK BOTHERS	Jim Grundy	Edwina Chesky	Jamie Vega	Chuck Paras	Steve Devare  Gary Martin
3		Linda Hudson	<del>Brad Pierce</del> SUECRISO	Dean Wagner		Harold Chanin	Al Nash	Fred Fitzsimons	Jerry Barrons	Bob Hudak

- If you cannot reach agreement on any specific issue, you must escalate the issue to the next level.
- Escalate the issue with the facts.
- Escalate the issue equitably.

The key is to get another set of eyes to look at the issue objectively.

# Appendix F

## ADR Protocol Agreement

### ALTERNATIVE DISPUTE RESOLUTION

#### PROTOCOL AGREEMENT

This alternative dispute resolution agreement (the Agreement) entered into by Lockheed Martin Ordnance Systems, Inc. (LMOS) and the Department of Army, Industrial Operations Command (IOC) is intended to establish procedures to resolve disputes that may arise during the performance of the HYDRA-70 Systems contract DAAA09-95-C-0028. The IOC and LMOS are collectively referred to as "the parties."

#### PURPOSE:

This Agreement supplements the parties' existing Partnering procedures<sup>1</sup>, extends the partnering concept, precedes the submission of a certified claim by the contractor and a final decision by the contracting officer. This Agreement is limited to disputes that would normally be subject to the disputes clause of the contract. Actions taken by the parties under this Agreement are considered a continuation of the Partnering dispute avoidance process and are not to be considered claims under the Contract Disputes Act (specifically 41 USC §605) or the Administrative Dispute Resolution Act. The parties will suspend any time limits imposed upon the parties for filing claims under the Contract Disputes Act during the period that the parties are attempting settlement through this ADR Agreement. Both parties share a desire to avoid expensive, time consuming litigation and to identify and mutually eliminate or resolve disputes. This Agreement is a plan for such dispute resolution procedures.

#### AGREEMENT:

1. The parties agree to utilize a two-step alternative to litigation that extends the partnering concept. Step-one follows the conflict escalation established at the Partnering Conference February 1, 1996. Step-one involves the submission of the dispute to a Standing Neutral after the matter has already been escalated through each parties organization in accordance with the conflict "Issue Resolution Chart" established at the Partnering Conference. Step-two involves the submission of the matter in dispute to a Mediator mutually agreed to by the parties, only after the parties agree the Standing Neutral is unable to assist the parties in a resolution.
2. Step-One: The parties have selected Jimmy C. Morgan, Director, ACALA as the Standing Neutral and he has agreed to serve in that capacity and be available on reasonable notice. In the event that Jimmy C. Morgan becomes unwilling or unable to serve, the parties agree to select an alternate Standing Neutral.

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<sup>1</sup> Appendix A to Alternative Dispute Resolution Protocol Agreement between the Department of Army, Industrial Operations Command and Lockheed Martin Ordnance Systems, Inc. under HYDRA-70 Systems Contract DAAA09-95-C-0028 ( HYDRA-70 Rocket System Partnering Conference January 30 - February 1, 1996).

3. If after a matter has been escalated to Linda P. Hudson, President, Lockheed Martin Ordnance Systems, Inc. and Sandra S. Crisp, Chief, Commercial Ammunition Procurement Division, or their successors, and it has not been resolved within 14 working days, either party may give written notice to the other party of their intention to submit the matter to the Standing Neutral. The written notice shall briefly identify the dispute. The Standing Neutral shall be furnished a copy of the written notice. Within 5 working days after receipt of the notice, the receiving party shall reply in writing acknowledging receipt of the notice and concur that the matter is a good faith dispute ripe for submission to the Standing Neutral. A copy of this reply shall be furnished to the Standing Neutral.

4. After the initial notice and acknowledgment, the parties agree that neither party shall have *ex parte* communications regarding the substance of the dispute with the Standing Neutral before the Standing Neutral has scheduled an initial conference<sup>2</sup>. After the initial conference, the manner and frequency of communications shall be at the discretion of the Standing Neutral. During the initial conference, or within 5 work days of the initial conference, the Standing Neutral will decide and notify the parties of the need to submit written documentation supporting their positions.

5. After receipt of notice from the Standing Neutral of the need to submit written positions on the dispute, the parties shall submit their written positions within 10 working days of receipt of the notice.<sup>3</sup> The written position shall, as a minimum, include the following:

- a. written statement of facts relevant to the dispute;
- b. the party's written position and rationale for the position;
- c. all other information and documents supporting the party's position; and
- d. the name and title of individuals personally knowledgeable of the facts identified in the party's statement of facts, including individuals representing the other party.

Each party shall submit a copy of this same information to the other party contemporaneously with the submission to the Standing Neutral. The parties further agree to honor all additional

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<sup>2</sup>The forum for the initial conference may be either a personal meeting or telephone conference at the discretion of the Standing Neutral and the parties.

<sup>3</sup> Position papers and other arguments posed by the contractor in furtherance of this ADR procedure shall be marked to prohibit confusion as to the intent of the document. The following marking is recommended:

"This paper is submitted under the ADR Agreement between the parties in furtherance of settlement, and is not to be construed as a claim or request for final decision. The contractor retains his rights to submit a claim or request for final decision at a later date if no resolution is reached."

reasonable requests for information from either the Standing Neutral or the other party.<sup>4</sup>

6. After receipt of the parties written positions, the Standing Neutral may interview witnesses, request additional documents, and generally use all means at his or her disposal to gather facts relevant to the dispute.

7. LMOS shall be represented by Linda P. Hudson, President, Lockheed Martin Ordnance Systems, Inc., or her successor, and the IOC shall be represented by Sandra S. Crisp, Chief, Commercial Ammunition Procurement Division, or her successor. The parties may be represented by counsel in a matter before the Standing Neutral. Each party will notify the Standing Neutral and other party of the name, address, telephone and fax numbers of its counsel.

8. The Standing Neutral will advise the parties of a recommended resolution to the dispute within 20 working days of the initial conference, or receipt of the parties' written positions in the event the Standing Neutral has requested written positions. The parties may mutually agree in writing to an extension of the date for this recommendation. Unless the parties agree otherwise, the Standing Neutral will provide a written statement of recommendation.<sup>5</sup>

9. The parties expect and the Standing Neutral agrees to apply (although the Standing Neutral is not obligated) the principles included in Attachment 1 to this agreement to resolve the dispute. The Standing Neutral's recommendation is not binding on the parties. Within 5 working days after receipt of the recommendation, either party, by written notice to the Standing Neutral and other party may request the Standing Neutral correct any computational, typographical or similar error in the recommendation. The Standing Neutral may also make similar corrections on his or her own initiative.

10. Within 10 working days after the receipt of the Standing Neutral's recommendation, or corrected recommendation, the parties shall notify each other in writing of their intention to implement the recommendation or request the matter be escalated to Mediation (Step-Two).

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<sup>4</sup> All negotiations, documentation and statements pursuant to this agreement are considered confidential and shall be treated as compromise and settlement negotiations for the purposes of all applicable rules of evidence and statute, including but not limited to Federal Rules of Evidence (FRE), Rule 408 and 5 U.S.C. Sections 573 and 574. **The parties and the Standing Neutral shall not voluntarily disclose these dispute resolution communications.** If the Standing Neutral or the parties receive a demand for disclosure, they shall notify the neutral and other party.

<sup>5</sup> This statement will not be admissible in any subsequent judicial or administrative proceeding regarding this or any other dispute between the parties. Furthermore, neither party may compel testimony of the Standing Neutral relating to these proceedings in any subsequent judicial or administrative proceeding regarding this or any other dispute between the parties.



11. Step-Two: The parties agree that if after receipt of the Standing Neutral's recommendation they are unable to mutually implement the recommendation, they will mutually acquire a mediator. The parties acknowledge that mediation services are available from a wide range of potential providers, and that the most valuable provider may differ based on the nature of the unresolved dispute existing between the parties.

12. The parties agree to exchange a list of not more than three potential mediators within 3 working days of the decision to escalate the unresolved dispute. Each list shall contain sufficient information to allow each party to evaluate the proposed mediator. Each list shall include, as a minimum, name, address and telephone number for the proposed mediator. The list shall also include a brief description regarding any previous experience the proposing party has had with the mediator, including known fees or rates charged by the mediator. Within 7 working days of the decision to escalate the unresolved dispute to mediation, the parties shall mutually select a mediator. The parties shall equally share the cost of mediation, excluding attorney fees.

13. Although the mutually selected mediator will likely establish the mediation procedures, the parties agree in advance to the following basic procedures:

a. Participants - LMOS shall be represented by Linda P. Hudson, President, Lockheed Martin Ordnance Systems, Inc., or her successor and the IOC shall be represented by Sandra S. Crisp, Chief, Commercial Ammunition Procurement Division, or her successor. The parties may be represented by counsel in a matter before the Mediator. Each party will notify the Mediator and other party of the name, address, telephone and fax numbers of its counsel.

b. Duration - The parties may discontinue the process at any time if they feel the process is no longer productive. If a party chooses to withdraw from the process, the party shall immediately notify the mediator and other participant.

c. Confidentiality and Use of Information - All negotiations, documentation and statements pursuant to this Agreement are considered confidential and shall be treated as compromise and settlement negotiations for the purposes of all applicable rules of evidence and statute, including but not limited to Federal Rules of Evidence (FRE), Rule 408 and 5 U.S.C. Sections 573 and 574. **The parties and the Mediator shall not voluntarily disclose these dispute resolution communications.** The Mediator shall be disqualified as a witness, consultant or expert in any pending or future action relating to the subject matter of the mediation. If the Mediator or the parties receive a demand for disclosure they shall notify the Mediator and other party.

The parties agree to provide the Mediator with all relevant information necessary. The parties also agree to exchange relevant information as recommended by the Mediator. The parties will participate in good faith and agree that personal attacks and inflammatory statements are unacceptable.

14. This Protocol Agreement shall be effective upon the signatures of the representatives, and may be modified or amended by mutual agreement of the parties. Any settlement agreement reached by the parties under this Agreement shall be incorporated into the contract via formal written modification to the contract. No such contract modification will be required if the agreement reached does not effect the contractual rights of the parties.

DATED: 7 Aug 96

BY: James A. Crisp

Principal Representative for the  
Industrial Operations Command

DATED: 8/1/96

BY: Linda R. Hudson

Principal Representative for  
Lockheed Martin Ordnance Systems, Inc.

## ATTACHMENT 1<sup>1</sup>

### Objectives, Processes and Principles of the Standing Neutral

#### The Standing Neutral's Objective

The Standing Neutral will act as a neutral third party and not as an agent of any party to the negotiation. The Standing Neutral's responsibility is to facilitate the parties in their own resolution of the issues identified by the parties. The Standing Neutral will endeavor to remain familiar with the HYDRA-70 program through attendance at quarterly program reviews. The Standing Neutral will remain acquainted with milestones, turning points and issues that may become disputes between the parties. It is the intent of the contractual parties to keep disagreements that may fall under the Contract Disputes Act from delaying or adversely affecting the performance of the contract or the relationships of the parties. It shall be the objective the Standing Neutral to assist the parties in achieving this result.

#### Process

1. The Standing Neutral shall be kept informed about the status of the contract, and specifically about any issues that might arise that may effect contract performance, or may lead to a dispute under the contract. Both parties hold an obligation to keep the Standing Neutral informed. It is expected that the Standing Neutral will be invited to and informed about all quarterly review meetings, or other such discussions relating to contract status.
2. It is anticipated that the parties will not formally engage the service of the Standing Neutral until the parties have attempted settlement through the step negotiation process laid out in the "Issue Resolution Chart" established at the Partnering Conference, and that such negotiations have reached their final step and failed.
3. The Standing Neutral must at all times remain unbiased relating to the parties or an issue in controversy. If the Standing Neutral finds that he cannot be unbiased, or that a conflict of interest might exist, he shall excuse himself from participation in the specific issue creating the bias or conflict.
4. After initial review of the facts, and review of the position papers supplied by the parties, the Standing Neutral shall advise the parties of a recommended resolution to the dispute within 20 working days of the initial conference, or receipt of the parties' written positions in the event the Standing Neutral has requested written positions. This recommendation is not limited to settlement terms, but may include recommendations for further fact finding, continued negotiation, or other actions deemed appropriate by the Standing Neutral to assist the parties in a proper resolution of the issue(s).

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<sup>1</sup> Attachment to Alternative Dispute Resolution Protocol Agreement between the Department of Army, Industrial Operations Command and Lockheed Martin Ordnance Systems, Inc. under HYDRA-70 Systems Contract DAAA09-95-C-0028.



# Appendix G

## AMC ADR Program

The objectives of the AMC ADR Program are to adopt an interdisciplinary approach to address disputes and dispute resolution, to design processes to enable the parties to foster creative, acceptable solutions, and to produce expeditious decisions requiring fewer resources than formal litigation.

### Definition of ADR

ADR is not a single process or procedure. It is an inclusive term that describes a variety of joint problem-solving techniques that present options in lieu of litigation. ADR encourages the consideration of creative solutions to disputes that are unavailable in traditional dispute resolution forums. It encourages communication between the parties and focuses on the parties' real interests, rather than on their positions or demands, enabling them to address the real concerns underlying the conflict.

### Characteristics of ADR

Regardless of the specific ADR process chosen, there are characteristics common to all:

1. **Voluntary**— the parties choose to use ADR.
2. **Expeditious**— avoids components of traditional litigation that prolong and delay dispute resolution.
3. **Controlled by the parties**— the dispute is handled and resolved through an ADR Protocol Agreement in which the parties choose a specific ADR method, outline the specific steps of the process, and establish time periods for each step.
4. **Non-judicial**— rather than turning the case over to a third-party decision-maker who has no stake in the outcome of the dispute, ADR decision-making is in the hands of the parties to the dispute—the stakeholders.
5. **Flexible** — ADR is not a single method of dispute resolution. There are many methods. The parties decide which is best for them.

## **Examples of ADR Processes**

### **1. Negotiation**

- Communication between parties to a suit. The parties seek resolution by listening to each other's view point.
- The basic building block for all forms of ADR.

### **2. Mediation**

- Negotiation facilitated by a neutral third party who does not have power to issue a decision—the parties decide the outcome themselves.
- Assists in clarifying issues, identifying objectives, and managing the process.

### **3. Fact-Finding**

- An impartial third party collects information on the dispute and makes a report about relevant data or issues recommendations.
- Provides an impartial assessment of the dispute for the parties.

### **4. Arbitration**

- The parties choose a neutral person to hear their dispute and to resolve it by issuing a decision which can be advisory or binding.
- Although adjudicative, differs from litigation in that the rules of evidence are not applicable and the process is expedited.

### **5. Mini-Trial**

- Summary presentation of the case to key principals who are chosen by the parties to preside and render a decision.
- A pre-trial agreement establishes the process to include strict time lines on presentation and submission of position papers, and restrictions on discovery and witnesses.

# Appendix H

## AMC Acquisition ADR Program

Partnering is one of four AMC ADR programs in the acquisition area:

### **1. Headquarters AMC-Level Protest Program**

The Headquarters AMC-Level Protest Program provides a forum at the HQ AMC-level that is an expeditious and less costly alternative to litigation before the General Accounting Office or the Federal courts. In 1995, the AMC-Level Protest Program was named “One of The Ten-Best Government Procurement Practices” by the Office of Federal Procurement Policy. Additionally, Executive Order 12979 (October 25, 1995) mandates an agency-level protest resolution process throughout the Executive Branch of government, modeled after the AMC program. For more information on this ADR Program, or for a copy of a brochure on the HQ AMC-Level Protest Program, contact the Office of Command Counsel Protest Litigation Team, (703) 617-9022.

### **2. AMC Debriefing Program**

We believe that meaningful debriefings for unsuccessful offerors will instill greater confidence in the acquisition process, reduce protests and litigation because of the increased dialogue that characterizes the process, and enhance government-industry relations. To this end, AMC drafted a Debriefing Handbook entitled: “A Practical Guide for Conducting Post-Award Debriefings.” For more information on this program or for a copy of the Handbook, contact the Office of Command Counsel Business Law Team, (703) 617-2302. Copies of the Handbook can also be ordered through the Defense Technical Information Center, 1-800-225-3842.

### **3. Contract Dispute Resolution Program**

Traditional contract dispute resolution litigation is expensive, time-consuming, and often characterized by program delays, contributing to a breakdown in the relationship between the government and the contractor. AMC has designed a contract dispute ADR program that substantially reduces dispute resolution time. This ADR procedure is fast, fair, and affordable for both government and industry. For more information on this ADR initiative, contact the Office of Command Counsel Business Law Team, (703) 617-2302.

### **4. Partnering—the subject of this Guide.**











# Appendix J

## Metrics

### **A List/Baseline Of Things To Look At To Assess The Success Of Your Partnering Efforts**

The parties entering into the Partnering Agreement must identify a method to measure the impact Partnering has on contract performance. We strongly recommend that the parties keep these metrics in mind as they move through the contract and build their Partnering relationship. Although each contract will have unique goals and objectives identified at the Partnering Workshop, it is imperative that the Partners agree upon a tool or method to measure each goal and objective. The Workshop facilitator should be able to assist in developing such metrics. The following are a few examples of specific contract performance items and components of a solid business relationship that could be measured during, as well as at the completion of, each Partnered contract.

Cost: There is no doubt that a comparison of the cost objectives with actual incurred costs on the contract is an appropriate measurement of the impact Partnering has had on contract performance. Whether the contract is cost reimbursement or fixed-price is not critical. Under a cost reimbursement contract, the government would incur greater risk if costs were not controlled, while under a fixed-price-contract the contractor would incur greater risk. In either case, however, both of the Partners may suffer when costs are not properly controlled, as this often precludes the accomplishment of their objectives.

Quality: The government has many ways to measure quality once the product or service is delivered (*i.e.*, number of Quality Deficiency Reports, Reports of Item Discrepancy, warranty claims). However, a measurement of the contractor's in-house quality performance can be a far more crucial element in determining the success of Partnering. By identifying in-house quality measurement tools and reports, and having both parties share the responsibility for analyzing and resolving issues that contribute to poor quality prior to delivery, the likelihood increases significantly that quality performance will be achieved. The parties must recognize that a sound contractor quality program will ensure the product/service delivered meets the terms of the contract and the user's needs. It will reduce rework and improve the probability of remaining within the contract's estimated cost and delivery schedule.

Delivery: Obviously, the ability to meet delivery schedules contained in the contract is a vital element of measuring Partnering success. It is, therefore, critical that the parties continuously communicate during contract performance to ensure that issues which may have an impact on delivery are resolved in a timely manner.

Paperwork: The parties should establish a method to determine if paperwork has been reduced as a result of their Partnering activity. This may be as simple as feedback on follow-up surveys or as complex as recorded logs for outgoing and incoming paperwork. We suggest the more informal approach to preclude the establishment of new reporting procedures or documents. The individuals working the issues associated with the contract can call upon their past experiences to assess whether paperwork actions have been reduced. They can also indicate if the parties are communicating and cooperating to the degree that “self-protection” paperwork is avoided.

Litigation/Claims: One goal included in each Partnered program should be zero claims or litigation events. Significant savings and enhanced contract performance can be achieved by avoiding all claims and litigation. The Conflict Escalation Procedure developed at the Partnering Workshop must be utilized to avoid the necessity for filing a claim(s).

Morale/Satisfaction: The follow-up surveys will reflect how well the parties are progressing in maintaining or improving team morale and satisfying all stakeholders. Each individual committed to the Partnering Agreement should benefit from the experience and find personal satisfaction in successful completion of the contract.

Conflict Escalation Activity: Most issues will be resolved at the lowest level working the contract; however, in some instances, it will be necessary to elevate issues to higher levels for review and resolution. The success of this process can be evaluated through the results of the follow-up surveys and the responses provided by participants regarding the Conflict Escalation Procedure.

Decision-Making Process: Timely decision-making is crucial to successful performance of any contract and will significantly reduce the potential for claims and litigation. Failure to do so will result in frustration on the part of many contract stakeholders and increase the risk that performance will not be completed within the terms of the contract. Feedback received in follow-up surveys will provide information relative to the timeliness, effectiveness and equity of the decision-making process.

Quality Deficiency Reports (QDRs) and Reports of Item Discrepancy (RODs): As mentioned above, these two items will identify post-delivery quality issues. Quantifying the number of QDRs and RODs received on supplies delivered will provide documentary evidence of the extent of successful contract performance. In addition, the manner and timeliness in which the QDR or ROD is resolved will also indicate the commitment parties have made to Partnering.

Percentage Received on Award Fee: Successful and outstanding contract performance may result in achievement of the maximum award fee allowed under the contract terms. Failure to attain performance supporting the maximum, or very near the maximum, award fee could indicate a level of customer/user dissatisfaction that should have been identified during contract performance. If the parties are communicating in a cooperative, open arrangement and the contractor is responsive to the information provided by the customer/user, it should be likely that a high percentage of the award fee will be paid.

Achievement of Profit Objectives: A primary goal of any contract is that the contractor achieve a reasonable profit. Failure to do so would preclude the contractor from classifying the program as a complete success. Even if all performance and quality objectives are met, the short and long term success of that firm is impacted by a failure to meet profit objectives on individual contracts. The contractor personnel can provide general statements on their ability to achieve this goal on fixed-price contracts. The same information can be obtained on cost reimbursement contracts, supported by DCAA confirmation following its review.

# Appendix K

## Questions & Answers about Partnering

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### **Q-1 What is Partnering?**

**A** The AMC Model Partnering Process, as described in this Guide, is based upon a mutual commitment between government and industry to work cooperatively as a team to identify and resolve problems and facilitate contract performance. The primary objective of this process is providing the American soldier with the highest quality supplies/services on time and at a reasonable price. Partnering requires the parties to look beyond the strict bounds of the contract in order to formulate actions that promote their common goals and objectives. It is a relationship that is based upon open and continuous communication, mutual trust and respect, and the replacement of the “us vs. them” mentality of the past with a “win-win” philosophy for the future. Partnering also promotes synergy, creative thinking, pride in performance, and the creation of a shared vision for success.

Engaging in Partnering is similar to picking a Partner at the office picnic and entering the three-legged race. The Partners have their legs tied together and know that to win the race they must reach the finish line; however, if they run in different directions, do not start at the same time and on the same leg, or do not hold each other up and keep each other out of potholes on the path to the finish line, neither will finish successfully. Similarly, government and industry must work together, communicate their expectations, agree on common goals and methods of performance, and identify and resolve problems early on—or risk bringing both Partners to the ground.

### **Q-2 Why would I want to become involved in the Partnering process? What’s in it for me?**

**A** Partnering has not only consistently contributed to the success of a variety of programs within AMC, it has also significantly enhanced the morale and professionalism of the individuals who have been involved in the process. By promoting creativity and empowering people with the requisite authority to make binding decisions, in real time, the Partnering process has engendered a uniquely positive outlook and motivation to personally contribute to the accomplishment of the team’s goals and objectives. Most people who have participated in the process report that their ability to focus on and resolve problems and accomplish tasks in a timely manner without surprises, protracted arguments and the necessity for generating endless file documentation, minimizes stress and non-productive time and maximizes job satisfaction. Significantly, many Partnering participants have indicated that they would not want to work on a future project that was not Partnered.

**Q-3 How can we financially afford to Partner in an environment in which acquisition budgets are consistently being reduced?**

A The fact is that in today's environment of dramatically reduced defense budgets, we can no longer afford not to Partner. Although the Partnering process does entail an upfront investment to cover the costs of contracting with a facilitator and conducting the Partnering Workshop, experience has repeatedly demonstrated that these initial expenses are minimal compared to the significant savings realized in the cost of contract performance for both the government and the contractor.

**Q-4 Isn't the additional time necessitated by the implementation of the Partnering concept inconsistent with the increasing emphasis on acquisition streamlining and cycle time reduction?**

A No. It is true that implementation of the Partnering process, particularly among individuals or organizations unfamiliar with the concept, requires an initial investment of time both in preparing for and conducting the Partnering Workshop. However, experience has consistently demonstrated that Partnered contracts result in earlier contract completion. In fact, the Partnering process facilitates the accomplishment of acquisition streamlining and cycle time reduction objectives.

**Q-5 How can a manpower-intensive process like Partnering be implemented in an environment in which the government and industry are downsizing?**

A Although implementation of the Partnering process requires the active participation and involvement of all government and contractor stakeholders, it is not, in fact, a manpower-intensive process. Rather, through its focus upon open communications; the empowerment of the primary players and clear definition of their roles and responsibilities; the early identification of "Rocks in the Road" and formulation of an Action Plan for their prompt resolution; the avoidance of surprises; the significant reduction in paperwork; the development of a Conflict Escalation Procedure; and the elimination of litigation, the Partnering process is, in reality, a workforce multiplier, the utilization of which is absolutely essential to our future success.

**Q-6 Aren't the personnel and budgetary costs attributable to Partnering disproportionate to any potential benefits which can be obtained?**

A No. Experience has repeatedly demonstrated that the personnel and financial investment in the Partnering process is far outweighed by the benefits which consistently result from the utilization of this technique.

**Q-7 Isn't Partnering simply a new "buzzword" for the team concept that has always been used in the administration of government contracts?**

A No. The team approach which has historically been employed in the administration of some government contracts is significantly different from the Partnering concept. Generally, in "traditional" contract administration, when teaming is used, there is a govern-



ment team and a contractor team that, for the most part, work independently. When the Partnering process is utilized, the government and the contractor approach contract performance as a single, interdependent unit whose objectives, focus and daily interaction are guided by the terms of the Charter which they themselves developed. Even when an inter-organizational team philosophy has been adopted, the parties usually do not have a process in place to implement that philosophy. The AMC Model Partnering Process provides the blueprint for that implementation.

**Q-8 Are there formalized rules for the implementation of the Partnering process or is it flexible enough to allow for tailoring as necessary to meet the needs of individual programs?**

A There are no formalized rules for the implementation of Partnering. However, use of the AMC Model Partnering Process, tailored as necessary to achieve the objectives of individual programs, is recommended.

**Q-9 Is the Partnering Charter a legally enforceable agreement?**

A No. The Partnering Charter is not a contractual agreement and does not create, relinquish or conflict with the parties' legally binding rights or duties.

**Q-10 What is the relationship between the Partnering Agreement and the contract?**

A While the contract establishes the legal relationship between the parties, the Partnering Agreement establishes their business relationship. The Partnering Agreement constitutes a mutual commitment by the parties on how they will interact during the course of the contract with their primary objective being successful and timely contract performance.

**Q-11 Can the Partnering Agreement be used to alter, supplement or deviate from the rights and obligations of the parties set forth in the contract?**

A No. The Partnering Agreement cannot be used to alter, supplement or deviate from the terms of the contract, nor can it affect the legal responsibilities or relationship of the parties.

**Q-12 Won't the relationship between the government and the contractor engendered by the Partnering process undermine and/or preclude the enforcement of the parties' contractual rights?**

A No. Engaging in the Partnering process does not require either party to relinquish or waive its contractual rights or to take any action that is inconsistent with its best interests. The Partnering process is, however, based upon the parties' commitment to communicate openly and honestly, to expeditiously identify and resolve problems without the necessity for litigation, and to work cooperatively as a team to accomplish their mutual goals and objectives.

**Q-13 Wouldn't it be improper for the government to become involved in or facilitate the contractor's efforts to comply with the terms of the contract (i.e., to deliver conforming supplies/services on time and within the estimated cost/price)?**

A No. On the contrary, it is entirely appropriate and in the best interests of both parties for the government to team with the contractor in order to facilitate and streamline contract performance. In today's environment of personnel downsizing and dramatically reduced defense budgets, we can no longer afford to approach contract administration in a traditional "us vs. them" manner. It is imperative that we employ creative, "outside the box" thinking and accept the risks inherent in trying something new, in order to maximize our ability to provide America's soldiers with the most technologically advanced and reliable equipment in a timely manner.

**Q-14 Doesn't implementation of the Partnering concept alter the traditional relationship between the government and industry?**

A Yes. The Partnering process replaces the passive, independent, "hands off" philosophy of the past—an approach which experience has shown to be both ineffective and manpower-intensive—with a proactive, interdependent, team-based approach for the future, a strategy which has already generated significant dividends throughout AMC.

**Q-15 Does the execution of a Partnering Agreement mean that disagreements between the parties will no longer be permissible?**

A No. Execution of a Partnering Agreement does not mean that the parties have somehow attempted to do the impossible—to preclude disagreements from arising during contract performance. On the contrary, the Partnering Agreement specifically anticipates the development of problems and conflicts and establishes a series of mechanisms designed to expeditiously resolve them at the lowest possible organizational level in order to streamline contract performance and avoid the significant expense and delays attributable to litigation.

**Q-16 If disputes occur during contract performance, does this mean that the Partnering process has been unsuccessful?**

A No. The Partnering process specifically recognizes that disputes may arise during contract performance and establishes a methodology for their prompt resolution without the necessity for litigation.

**Q-17 Doesn't the inclusion of Alternative Dispute Resolution provisions in the Partnering Agreement indicate that the parties anticipated that the Partnering process would fail?**

A No. Partnering is an integral part of the AMC Alternative Dispute Resolution (ADR) program. The intent of the Partnering process is not to eliminate conflict, but rather to manage it, so that conflict does not prevent or delay the achievement of the parties'

overriding goals. Some issues may not be resolvable using the Conflict Escalation Procedure. When this happens, other ADR techniques, specifically selected by the parties, are used to apply different tactics in order to facilitate the timely resolution of conflict. ADR is not a sign of failure, but rather a continuation of the parties' commitment to successful performance without the necessity for litigation.

**Q-18 Is the Partnering Agreement developed in conjunction with an individual contract applicable to all subsequent contractual relationships between the government and the contractor?**

A No. Assuming that both the government and the contractor wish to engage in the Partnering process on a continuing basis, each contractual endeavor between them must include individually designed and tailored Partnering Agreements reflecting the unique aspects and circumstances of each program (e.g., the parties' goals and objectives; "Rocks in the Road"; and Conflict Escalation Procedure). It is noted that AMC does have experience with the use of Overarching Partnering Agreements (*see Appendix C*) in which senior management from the government and industry formalize their commitment to utilize the Partnering process in the performance and administration of each of their subsequent contractual efforts. Even in these instances, however, the parties specifically recognize the necessity to formulate individually designed Partnering Agreements for each of those contracts.

**Q-19 Does the Partnering process have to be utilized on all contracts over a certain dollar value or of a particular duration?**

A No. Use of the Partnering process is never mandatory. The personal commitment, open communications and "outside the box" thinking which form the foundation for the Partnering concept necessitate its voluntary acceptance and utilization by both government and industry. Nevertheless, in selecting acquisitions for Partnering, contracts of two years' duration or longer are generally preferred. If the Partners are familiar with or have experience with the process, however, its use on shorter contracts is recommended.

**Q-20 Is Partnering limited to use in sole source contracts?**

A No. The Partnering process can be employed in conjunction with both sole source and competitive contracts.

**Q-21 Can the Partnering process be utilized with any type of contract?**

A Yes. The Partnering process can be employed in conjunction with any contract type.

**Q-22 Is it advisable to use the Partnering process when potentially complex and controversial issues are anticipated during contract performance? When potential industry or government Partners have traditionally been uncooperative or adversarial?**

A Yes. The Partnering process is most valuable and provides the greatest benefit to the parties when used in conjunction with technically complex efforts or in situations where prior contract performance has been poor or there has been a history of adversarial relationships between the government and the contractor.

**Q-23 When should the government first communicate to industry its desire to utilize the Partnering process in conjunction with a particular program?**

A The government's desire to utilize the Partnering process in conjunction with a particular program or series of programs should be communicated to industry as early in the acquisition process as possible. As discussed in this Guide, both the government and industry are strongly encouraged to suggest the use of Partnering. These discussions can take place during Advance Planning Briefings for Industry and, with respect to specific programs, in draft solicitations published on a command's Electronic Bulletin Board as well as during Pre-Solicitation and Pre-Proposal Conferences.

**Q-24 Does the enhanced level of communications between the government and industry necessitated by the Partnering concept increase the potential for violation of procurement integrity and/or standards of conduct rules?**

A The existence of a Partnering Agreement between government and industry is not an exception to, inconsistent with, or a waiver of any of the rules relating to procurement integrity and standards of conduct. Notwithstanding the fact that enhanced communications between the parties is the foundation of the Partnering concept, it is imperative that the parties recognize that the Partnering relationship cannot be used as a vehicle for the dissemination or exchange of any competition sensitive, source selection or proprietary data or for the premature or unilateral release of acquisition-related information prior to its publication to industry in general.

**Q-25 Doesn't the Partnering process encourage the implementation of constructive changes to the contract?**

A No. The Partnering process encourages the parties to communicate openly on a continuous basis, promotes the establishment of a cooperative relationship based upon trust and honesty, and specifically empowers the stakeholders, starting at the lowest organizational level, to work together as a team to expeditiously resolve problems. It cannot, however, be used to alter, supplement or deviate from the terms of the contract or affect the legal rights and obligations of the parties. Any changes that are made to the contract must be executed in writing by the Contracting Officer.

**Q-26 Won't employee turnover within the government and industry undermine the success of the Partnering process?**

A Significant employee turnover within the government and/or industry can potentially undermine the success of the Partnering relationship. It is, therefore, imperative that when personnel changes are experienced, particularly among the “Champions” or primary stakeholders, the new Partnering participants be familiarized immediately with and embrace the process, especially the necessity for open and continuous communication. Follow-up workshops can be employed to reinforce the critical components of the process (e.g., goals and objectives; “Rocks in the Road”; and Conflict Escalation Procedure) and to assure the continuing commitment of the parties.

**Q-27 Is the Partnering process consistent with the requirements of the Competition in Contracting Act?**

A Yes. Although the Partnering process is based upon trust, open communications, and the development of a close working relationship between the government and industry, it is not an exception to the Competition in Contracting Act (CICA) nor a mechanism through which the requirements of CICA can be circumvented.

**Q-28 Is it imperative that a facilitated Partnering Workshop be conducted?**

A No. Although many of the activities encompassed within a facilitated Partnering Workshop can be, and have been, accomplished by program participants on their own, it is strongly recommended that a professional facilitator experienced in the Partnering process be utilized. The facilitator is an objective, neutral, “honest broker” whose participation accelerates the successful implementation of the Partnering effort by minimizing skepticism and bias, keeping the parties focused on the Partnering process and playing a pivotal role in the development of the Charter, the “Rocks in the Road”, the Conflict Escalation Procedure, and metrics for the assessment of program success.

**Q-29 When is the best time to conduct the Partnering Workshop?**

A The best time to conduct the Partnering Workshop is as soon as possible after contract award. The Workshop can often be held in conjunction with the Post-Award Conference.

**Q-30 Who should attend the Partnering Workshop?**

A The Partnering Workshop must include, at a minimum, all “stakeholders” within both government and industry. Stakeholders are individuals who play a critical role in ensuring program success. This includes anyone who is in a position to disrupt contract performance or “throw a monkey wrench” into the process (e.g., Program Manager, Procuring Contracting Officer, user representatives, the testing community and contract administration personnel).

**Q-31 Where should the Partnering Workshop be held?**

**A** It is recommended that, where feasible, the Partnering Workshop be conducted at a neutral site away from the workplace. This approach contributes to the parties' uninterrupted focus on the Partnering initiative, negates any concerns over favoritism or "turf", and minimizes the potential for participants to be called away for other work-related matters.

**Q-32 Who pays for the Partnering Workshop?**

**A** The source of funding for the Partnering Workshop must be determined on a case-by-case basis. Generally, however, the Partners share the costs of conducting the Workshop (hiring the facilitator, renting the Workshop facility, etc.) and pay their own costs related to transportation, lodging, per diem and salaries.

**Q-33 Can an offeror's willingness to Partner in the future or its prior experience with the Partnering process be evaluated in conjunction with the source selection process? Should Partnering be specifically identified as an evaluation factor or sub-factor?**

**A** Since Partnering is neither a contractual requirement nor a process whose use should ever be mandated by the government, it should not be identified as an evaluation factor or sub-factor in the source selection process. Depending upon the structure of the evaluation scheme in negotiated acquisitions, however, an offeror can and should be given evaluation "credit" for successful prior Partnering efforts as part of the evaluation of the Performance Risk/Past Performance Factor. This can be accomplished either through direct recognition of the benefits derived from the offeror's previous Partnering experiences or indirectly through an overall assessment of the offeror's performance on prior contracts that were Partnered. Furthermore, the offeror's desire to engage in Partnering during the contract to be awarded, as well as its approach for the implementation of the process and strategy for the enhancement of communications and timely contract performance, could be appropriate for consideration in the evaluation of the Management Factor.

